

The Food Assistance Landscape



USDA administers 15 domestic food assistance programs that served an estimated 1 in 6 Americans at some point during 2001. Together, these programs account for about half of total USDA outlays. The programs' goals are to provide needy persons with access to a more nutritious diet, to improve the eating habits of the Nation's children, and to help America's farmers by providing an outlet for the distribution of food purchased under farmer assistance authorities. The Economic Research Service (ERS) is responsible for conducting studies and evaluations of USDA's food assistance programs, focusing on nutrition outcomes, how benefits are targeted and delivered, and program dynamics and administration. This report looks at recent food assistance trends, and ongoing ERS food assistance research related to the determinants and prevention of childhood obesity.



Food Assistance and
Nutrition Research Program
Economic Research Service

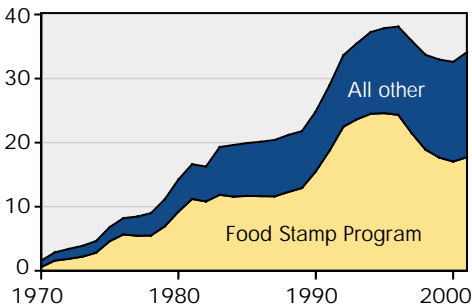


Spending for Food Assistance Increases

USDA spent \$34.1 billion on its domestic food assistance programs in fiscal 2001, an increase of almost \$1.5 billion or 4.6 percent from the previous year. This marked the first increase in total expenditures since fiscal 1996. Declining economic conditions, which increased the demand for food assistance, were the main factors behind the increase in expenditures. Five major programs—the Food Stamp Program, the National School Lunch Program, the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC), the School Breakfast Program, and the Child and Adult Care Food Program—accounted for 92 percent of USDA's total expenditures for food assistance. Although the Food Stamp Program accounted for much of the increase in total expenditures, spending for each of the other core food assistance programs also increased in fiscal 2001.

USDA expenditures for food assistance, FY 1970-2001

Billion dollars



Participation in the Food Stamp Program Is Increasing

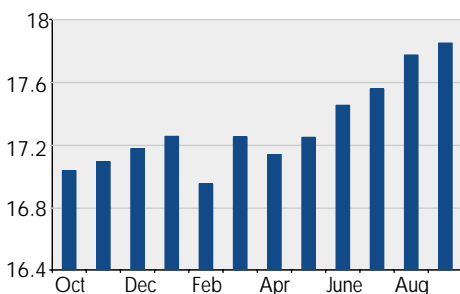
The Food Stamp Program is the cornerstone of USDA's food assistance programs, accounting for over half of total expenditures for food assistance in fiscal 2001.

- Spending for the Food Stamp Program totaled \$17.7 billion, or 4.1 percent more than in the previous fiscal year. This was the first annual increase in food stamp expenditures since FY 1995.
- Monthly participation in the program averaged 17.3 million people, or about 1 percent more than in the previous year. This was the first increase in participation in 7 years. Despite the increase, participation levels remain far below the peak of 27.5 million in 1994.

- Participation trended upward throughout the year; in 10 of the 12 months, participation increased over the previous month.
- More than half of all food stamp participants in FY 2000 were children, 39 percent were nonelderly adults, and 10 percent were elderly people. About 89 percent of all food stamp households had incomes at or below the poverty line.

Monthly participation in the Food Stamp Program trends upward in FY 2001

Millions



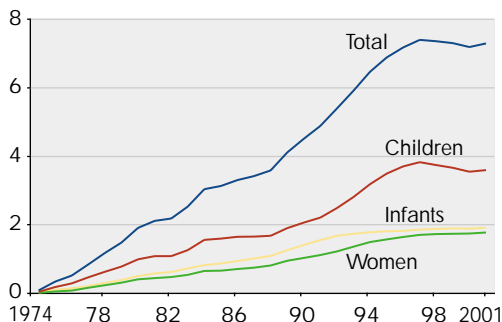
Participation in WIC Grows Modestly

The Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) helps safeguard the health of low-income pregnant, breastfeeding, and postpartum women, and infants and children up to age 5, by providing a package of supplemental foods, nutrition education, and health care referrals for those who are at nutritional risk.

- Spending for WIC totaled \$4.2 billion in fiscal 2001, or 4.6 percent more than in the previous year.
- Participation averaged 7.3 million people per month, an increase of 1.6 percent. This was the first increase in the number of WIC participants in 4 years.
- About 49 percent of all WIC participants were children aged 1-4, 26 percent were infants, and 24 percent were women. Participation increased for all three groups in fiscal 2001.

WIC participation increases in FY 2001

Millions





Federal Nutrition Assistance At-A-Glance

| Program | | FY 2000 | FY 2001 | Change |
|-----------------------------------|--------------------------------------------|---------|---------|--------|
| Food Stamp Program | Average monthly participation (millions) | 17.2 | 17.3 | 0.9% |
| | Average benefit per person (dollars/month) | 72.77 | 74.78 | 2.8% |
| | Total expenditures (billions) | 17.1 | 17.7 | 4.1% |
| National School Lunch Program | Average daily participation (thousands) | 27,239 | 27,407 | 0.6% |
| | Total expenditures (billions) | 6.1 | 6.5 | 5.2% |
| School Breakfast Program | Average daily participation (thousands) | 7,554 | 7,778 | 3.0% |
| | Total expenditures (billions) | 1.4 | 1.4 | 3.6% |
| WIC | Average monthly participation (thousands) | 7,193 | 7,305 | 1.6% |
| | Total expenditures (billions) | 4.0 | 4.2 | 4.6% |
| Child and Adult Care Food Program | Meals served in: | | | |
| | • child care centers (millions) | 897 | 919 | 2.4% |
| | • family day care homes (millions) | 738 | 720 | -2.4% |
| | • adult day care centers (millions) | 36 | 40 | 11.7% |
| | Total expenditures (billions) | 1.7 | 1.7 | 3.1% |
| All programs | Total expenditures (billions) | 32.6 | 34.1 | 4.6% |

Note: The figures are based on preliminary data provided by the Food and Nutrition Service as of December 2001 and are subject to change. Total program expenditures include figures from other programs not shown in table.

- Average food costs per person increased by almost 4 percent to \$34.25 per month, continuing a trend of increasing food costs that began in the mid-1990s.

Number of Meals Served in National School Lunch Program Stabilizes

The National School Lunch Program operates in more than 98,300 public and nonprofit private schools and residential child care institutions. About 90 percent of all elementary and secondary students in the United States attend a school that participates in the program.

- An average 27.4 million children participated in the program each school day in FY 2001. This represented about 58 percent of all children attending a participating school or institution.
- Spending for the program totaled \$6.5 billion in FY 2001, a 5.2-percent increase over the previous year.

- About 48 percent of the school lunches were provided free to students, and another 9 percent were provided at a reduced price.
- More than \$855 million worth of commodities was distributed to schools for use in the School Lunch and School Breakfast programs in FY 2001, an increase of 32 percent from the previous year.

Growth in School Breakfast Program Slows

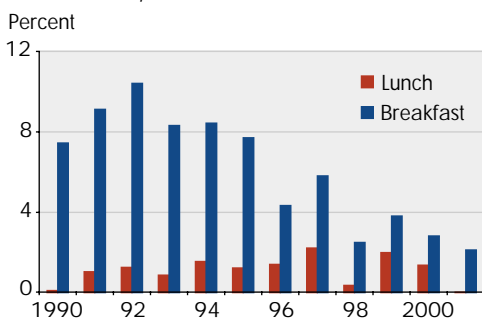
The School Breakfast Program operates in almost 75,000 public and residential child care institutions. About 71 percent of all elementary and secondary students in the United States attend a school that participates in the program.

- An average 7.8 million children participated in the program each school day in FY 2001. This represented about 21 percent of all children attending a participating school or institution.



- Spending for the program totaled \$1.4 billion in FY 2001, or almost 3.6 percent more than in the previous year.
- Of the total 1.3 billion breakfasts served in FY 2001, 75 percent were provided free to students and another 8 percent were provided at a reduced price.
- About 64 percent of all breakfasts served in the program received "severe need" reimbursements.
- Although still expanding in terms of total meals served, the rate of growth of the School Breakfast Program is far less than during the early 1990s.

Annual percentage change in number of school meals served, FY 1990-2001



Child and Adult Care Food Program Grows Slightly

The Child and Adult Care Food Program has been one of the fastest growing food assistance programs, with program expenditures more than doubling since 1990.

- Spending for the Child and Adult Care Food Program increased 3.1 percent to \$1.7 billion in FY 2001.
- Almost 1.7 billion meals were served in FY 2001, an increase of less than 1 percent from the previous year.
- About 55 percent of all meals served were in child care centers, 43 percent were in child day care homes, and 2 percent in adult care centers.

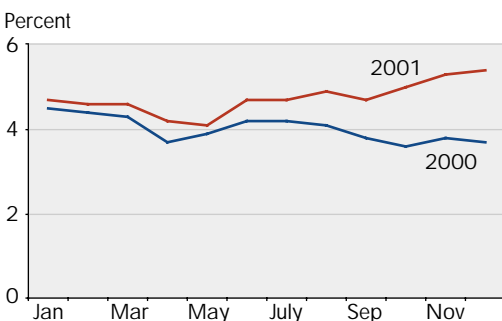
Economic and Social Indicators

Economic and social conditions affect participation in and expenditures on the food assistance programs through their influence on the size of the eligible population, the rate of participation among eligible people, and benefit levels. Historically, changes in the country's economic conditions significantly affect participation in the Food Stamp Program. The num-

ber of food stamp recipients typically rises during recessionary periods when the number of unemployed persons and persons in poverty increases, and falls during periods of growth as the number of unemployed persons and persons in poverty decreases.

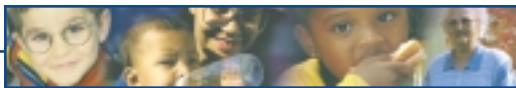
From early 1991 through early 2001, the United States enjoyed the longest period of economic expansion in its history. However, the National Bureau of Economic Research determined that March 2001 marked the beginning of a recession, defined as a significant decline in activity spread across the economy, lasting more than a few months. Several economywide measures of economic activity are used in determining recessionary periods, including the national employment situation. After dropping to 4 percent in 2000, the lowest rate since 1969, the annual average unemployment rate rose to 4.8 percent in 2001. In each month during 2001, the unemployment rate was higher than the same month during the previous year. Given the positive relationship between unemployment and the number of food stamp recipients, continuation of the recessionary period may result in an increase in the number of food stamp recipients in coming months.

2001 monthly unemployment rates exceed previous year rates



ERS Research Update: Childhood Obesity

ERS research on food assistance programs is designed to meet the information needs of the Administration, Congress, policy officials, program managers, and others. ERS conducts internal research and funds a portfolio of external research. Most of USDA's food assistance programs were established in response to documented problems of underconsumption and undernutrition among the low-income population in the 1960s and early 1970s. Today, however, overweight and obesity are among the most serious public health concerns in the United States. An estimated



Selected Economic and Social Indicators, 1999-2001

| Indicator | 1999 | 2000 | 2001 |
|----------------------------------------|--------|-------------|-------------|
| Population (millions) | 272.7 | 282.1 | 284.8 |
| Persons in poverty (millions) | 32.3 | 31.1 | NA |
| Poverty rate (%) | 11.8 | 11.3 | NA |
| Median household income (2000 dollars) | 42,187 | 42,148 | NA |
| Civilian unemployment rate (%) | 4.2 | 4.0 | 4.8 |
| Real GDP (% change) | 4.1 | 4.1 | 1.2 |
| Food-insecure households (thousands) | 10,529 | 11,101 | NA |
| Households with hunger (thousands) | 3,109 | 3,315 | NA |
| CPI for all items (% change) | 2.2 | 3.4 | 2.8 |
| CPI for food (% change) | 2.1 | 2.3 | 3.2 |
| CPI for food at home | 1.9 | 2.3 | 3.3 |
| CPI for food away from home | 2.5 | 2.4 | 2.9 |
| TANF recipients (thousands) | 7,203 | 5,781 (P) | NA |
| School enrollment (thousands) | 52,875 | 53,104 (PJ) | 53,157 (PJ) |

Note: NA = Data not available. (P) = Preliminary. (PJ) = Projected.

13 percent of children ages 6-11 in 1999 were overweight, up from only 4 percent in 1971-74. About 14 percent of adolescents ages 12-19 were overweight in 1999 compared with 6 percent in 1971-74. The rapid rise in the prevalence of overweight and obesity in the United States supports the notion that this is not just a genetic condition, but is also a consequence of lifestyle, diet, and the changing environment in which we live.

The increasing prevalence of overweight among children and adolescents is cause for concern. Overweight children tend to become overweight adults. More than 60 percent of U.S. adults in 1999 were estimated to be either overweight or obese. Overweight adults are at increased risk for a number of ailments including hypertension, type 2 diabetes, osteoarthritis, coronary heart disease, congestive heart failure, stroke, and some types of cancer. In addition, many of the consequences of adult obesity—such as hypertension, abnormal glucose tolerance,

and hyperlipidemia—are manifesting themselves at an earlier age among obese children and adolescents, raising the question of whether early onset of obesity in childhood carries greater risk of adult morbidity and mortality. Although overweight and obesity affect individuals at all income levels, they are more prevalent among low-income groups.

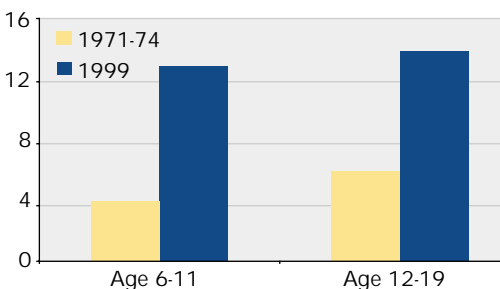
Due to the difficulty of achieving long-term weight loss, prevention of obesity is critical. The increase in the prevalence of overweight among children suggests that prevention efforts need to begin at an early age. USDA's food assistance programs reach a large number of the Nation's infants and children—almost one-half of all infants and nearly one-quarter of all children ages 1-4 currently participate in the WIC program, and on an average school day, more than one of every two school children eats a school lunch provided by USDA's National School Lunch Program. The programs have the potential to reduce the prevalence of childhood obesity. To achieve such reductions, however, it is essential that we improve our understanding of the factors that affect obesity. ERS's Food Assistance and Nutrition Research Program (FANRP) is funding a number of ongoing studies related to the determinants of childhood obesity, including:

■ Parenting Practices and Obesity in Low-Income African American Preschoolers.

Little is known about the parenting practices that promote or prevent obesity in preschool children, which complicates the development of obesity prevention strate-

Prevalence of overweight among children and adolescents grows dramatically

Percent



Source: Centers for Disease Control and Prevention, National Center for Health Statistics.



gies. This project examines specific parenting practices associated with pre-school children becoming overweight. The target population is low-income African American mothers, whose 2- to 5-year-old children are at high risk for becoming overweight.

- **Determinants of Overweight and Obesity Among Low-Income Children.** This study examines the determinants of obesity among low-income children and whether food insufficiency and food assistance participation influence the likelihood of obesity, after controlling for possible confounding factors.
- **Diet Patterns, Nutrients, and Development of Adolescent Obesity.** Data from a longitudinal survey of almost 17,000 adolescents are used to describe changes in dietary patterns and diet quality during adolescence and the association of those changes with the development of obesity. Specific aspects of diet quality examined include: 1) intake of calories from fat, and from soft drinks and other sources of added sugar; 2) breakfast consumption; and 3) a glycemic index based on intake of saturated-fat and low-fat foods, added sugar, and fiber.
- **Ecological Predictors and Developmental Outcomes of Persistent Childhood Obesity.** This project uses data from a large nationally representative, longitudinal study of more than 20,000 children that begins in kindergarten and follows them through grade 5. It will identify the school, family, parent, and child predictors of persistent childhood obesity and assess the health, social, emotional, and academic outcomes of persistent childhood obesity.

Other studies are designed to identify infants and children at high risk of becoming obese, or to assist in the targeting of nutritional education services:

- **Obesity in Low-Income Mothers and Children.** The current state of knowledge is limited for determining which newborns participating in the WIC program are the most likely to be overweight by 4 years of age. If those children at the highest risk of becoming an obese child could be identified at birth, then targeted prevention efforts could begin. This study examines factors that may influence the probability that by age 4 a WIC child will be overweight. The potential risk factors include the presence of an obese parent or an overweight sibling.
- **Diet Intake and Health Outcomes.** There are clear health risks, including those related to obesity, associated with inappropriate dietary patterns. This work develops and evaluates a dietary assessment tool that can be used across WIC programs, recognizing that adaptations may be needed for culturally diverse populations. The tool will be used to facilitate the triage of patients for services and serve as the basis for general nutrition education.

Additional Information

Information on food assistance-related research can be found at the ERS website at www.ers.usda.gov. Information on USDA's food assistance programs can be found at the Food and Nutrition Service website at www.fns.usda.gov/fns. For more information on this report, contact Victor Oliveira at victoro@ers.usda.gov.



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